

Introduction

MEMORANDUM

February 1, 2013

TO: County Council

FROM: Amanda Mihill, Legislative Attorney *A. Mihill*

SUBJECT: **Introduction:** Bill 5-13, Property Tax Credit - Accessibility Features

Bill 5-13, Property Tax Credit - Accessibility Features, sponsored by Councilmember Leventhal, is scheduled to be introduced on February 5, 2013. A public hearing is tentatively scheduled for February 26 at 1:30 p.m.

Bill 5-13 would provide for a property tax credit for an accessibility feature installed on an existing residence. The state law that authorizes this credit is shown on ©7. Howard County enacted a similar credit on October 1, 2012.

This packet contains:

Bill 5-13

Legislative Request Report

State law

Circle #

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Bill No. 5-13
Concerning: Property Tax Credit -
Accessibility Features
Revised: 1/25/2013 Draft No. 1
Introduced: February 5, 2013
Expires: August 5, 2014
Enacted: _____
Executive: _____
Effective: _____
Sunset Date: _____
Ch. _____, Laws of Mont. Co. _____

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

By: Councilmember Leventhal

AN ACT to:

- (1) provide for a property tax credit for an accessibility feature installed on an existing residence; and
- (2) generally amend County law regarding property tax credits.

By adding

Montgomery County Code
Chapter 52, Taxation
Section 52-18T

Boldface	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

The County Council for Montgomery County, Maryland approves the following Act:

1 **Sec. 1. Section 52-18T is added as follows:**

2 **52-18T. Property Tax Credit – Accessibility Features**

3 (a) Definitions. In this Section, the following terms have the meaning
 4 indicated.

5 Department means the Department of Finance.

6 Director means the Director of the Department or the Director's
 7 designee.

8 Eligible costs means costs that are:

- 9 (1) incurred within 12 months before the property owner submits an
 10 application to the Department for the credit;
- 11 (2) for a feature authorized under this Section, including reasonable
 12 costs to install the feature;
- 13 (3) paid by the applicant and not, or will not be, reimbursed by any
 14 entity; and
- 15 (4) in excess of \$500.

16 Feature means a permanent modification to a residence that results in:

- 17 (1) a no-step front door entrance with a threshold that does not
 18 exceed ½ inch in depth with tapered advance and return surfaces
 19 or, if a no-step front entrance is not feasible, a no-step entrance to
 20 another part of the residence that provides access to the main
 21 living space of the residence;
- 22 (2) an installed ramp creating a no-step entrance;
- 23 (3) an interior doorway that provides a 32-inch wide or wider
 24 clearing opening;
- 25 (4) an exterior doorway that provides a 36-inch wide or wider clear
 26 opening, but only if accompanied by exterior lighting that is

either controlled from inside the residence, automatically controlled, or continuously on;

(5) walls around a toilet, tub, or shower reinforced to allow for the proper installation of grab bars with grab bars installed in accordance with the Americans with Disabilities Act Standards for Accessible Design;

(6) maneuvering space of at least 30 inches by 48 inches in a bathroom or kitchen so that a person using a mobility aid may enter the room, open and close the door, and operate each fixture or appliance;

(7) an exterior or interior elevator or lift of stair glide unit;

(8) an accessibility-enhanced bathroom, including a walk-in or roll-in shower or tub; or

(9) an alarm, appliance, and control structurally integrated into the unit designed to assist an individual with a sensory disability.

(b) *Credit established.* In accordance with Section 9-250 of the Tax-Property article of the Maryland Code, the owner of real property may receive a property tax credit against the County property tax for a feature that is installed on an existing residence that is the owner's principal residence when the feature is installed.

(c) *Amount of Credit.* The tax credit allowed under this Section is the lesser of:

(1) 50% of the eligible costs; or

(2) \$2,500.

(d) *Annual Limit on Amount of Credits Granted.*

(1) During any fiscal year, the total of all tax credits granted under this Section must not exceed \$100,000.

(2) Credits must be granted in the order in which the Department receives the complete applications under subsection (e) of this Section.

(3) A complete application that, if granted, would cause the limit set forth in paragraph (1) of this subsection to be exceeded, must be granted in the next fiscal year or years and in the order received.

(e) Application for the Credit.

(1) To receive the credit, a property owner must submit an application the Department:

(A) in the format the Department requires;

(B) that includes a copy of the building permit to install the feature;

(C) that includes any document that the Department requires;
and

(D) on or before the date the Department sets.

(2) The Department must only accept one application for a credit under this Section for each property during a single tax year.

(f) Administration.

(1) The County Executive may adopt regulations under Method (2) to administer this Section.

(2) The Department must submit a written report to the Council by October 1 of each year for the preceding fiscal year. The report must include the following:

(A) number of applicants;

(B) number of applications approved;

(C) income range of applicants;

(D) modification made by the applicant;

81 (E) reason for the modification;

82 (F) other sources from which the applicant received funds or
83 applied for assistance for the modification;

84 (G) efforts to advertise the credit; and

85 (H) any program recommendations.

86 (g) *Publicity.* The Department must publicize the credit in a way designed
87 to inform those most likely to benefit from the credit.

(h) Effective Date. The credit authorized by this Section applies to tax years beginning after June 30, 2013

90 *Approved:*

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92

93 Nancy Navarro, President, County Council

Date _____

94 *Approved:*

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Isiah Leggett, County Executive

Date _____

96 *This is a correct copy of Council action.*

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Linda M. Lauer, Clerk of the Council

Date _____

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LEGISLATIVE REQUEST REPORT

Bill 5-13

Property Tax Credit - Accessibility Features

DESCRIPTION:	Bill 5-13 would provide for a property tax credit for an accessibility feature installed on an existing residence
PROBLEM:	County residents may need incentives to be able to make accessibility improvements on their homes.
GOALS AND OBJECTIVES:	To provide for the tax credit.
COORDINATION:	Department of Finance
FISCAL IMPACT:	To be requested.
ECONOMIC IMPACT:	To be requested.
EVALUATION:	To be requested.
EXPERIENCE ELSEWHERE:	To be researched.
SOURCE OF INFORMATION:	Amanda Mihill, 240-777-7815
APPLICATION WITHIN MUNICIPALITIES:	To be researched.
PENALTIES:	n/a



1 of 1 DOCUMENT

Annotated Code of Maryland
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*** Current through all Chapters Effective January 1, 2013, of the 2012 General Assembly Regular Session, First Special Session, and Second Special Session. ***
*** Annotations through November 26, 2012 ***

TAX - PROPERTY
TITLE 9. PROPERTY TAX CREDITS AND PROPERTY TAX RELIEF
SUBTITLE 2. STATEWIDE OPTIONAL

GO TO MARYLAND STATUTES ARCHIVE DIRECTORY

Md. TAX-PROPERTY Code Ann. § 9-250 (2012)

§ 9-250. Credit for property equipped with accessibility features

(a) "Accessibility feature" defined. -- In this section, "accessibility feature" means:

- (1) a no-step entrance allowing access into a residence;
- (2) interior passage doors providing at least a 32-inch-wide clear opening;
- (3) grab bars around a toilet, tub, or shower installed to support at least 250 pounds;
- (4) light switches, outlets, and thermostats placed in wheelchair-accessible locations;
- (5) lever handles on doors; and

(6) universal design features or any accessibility enhancing design feature prescribed by the Department of Housing and Community Development under § 12-202 of the *Public Safety Article*.

(b) In general. -- The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a tax credit against the county or municipal corporation property tax imposed on residential real property equipped with an accessibility feature.

(c) Amount, duration, criteria, regulations. -- The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may provide, by law, for:

- (1) the amount and duration of the tax credit under this section;

Md. TAX-PROPERTY Code Ann. § 9-250

- (2) additional eligibility criteria for the tax credit under this section;
- (3) regulations and procedures for the application and uniform processing of requests for the tax credit; and
- (4) any other provision necessary to carry out the credit under this section.

HISTORY: 2008, ch. 645.

NOTES: EDITOR'S NOTE. --Section 2, ch. 645, Acts 2008, provides that the act shall take effect June 1, 2008.

Section 2, ch. 645, Acts 2008, provides in part that the act "shall be applicable to all taxable years beginning after June 30, 2008."

Chapters 210, 281, and 645, Acts 2008, all enacted § 9-248 of this article. The sections enacted by chs. 281 and 645 have been redesignated as §§ 9-249 and 9-250, respectively.